

***Risk Pool Program Funds
for Children with Disabilities***

Procedures and Instructions

Fiscal Year 2018-2019

**Contact for additional information and
submitting applicable Risk Pool Program Funds
forms via postal mail:**

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RPF forms to be completed for submission are included in the list of supporting documents for the Risk Pool Program Application on the Exceptional Children Division website, located under the Finance and Grants tab.

Procedures for Requesting and Reverting Risk Pool Program Funds

Risk Pool Program Funds (RPF) for children with disabilities are not intended to replace any existing state, federal or local exceptional children funds.

All **applications must be submitted via postal mail**, not email. Email is considered public record and children's information must remain confidential. The child must have attended the first day of school for the current school year prior to submission of an application. Applications are submitted annually and must be **postmarked on or before September 30, 2018**.

Basis of Application Approval:

Risk Pool Funds are available for a child who was **enrolled in the LEA during the previous year** and meets all the following criteria:

- The 2018-2019 dollars per average daily membership (ADM) State average of \$6,254.78 and State funded child count amount of \$4,464.16 are used to determine eligibility. These two amounts are added, and the **annual special education and/or related service(s) costs for an applicant child must meet or exceed three times \$10,718.94 (\$32,156.82)**.
 - The child's needs must be supported by documentation.
- The child **meets or exceeds the minimum Risk Pool Funds Rubric** score of eight (8) points.
- If the child received Risk Pool Program funds in 2017-18, an *End-of-Year Update* (RPF-2) was submitted to the Exceptional Children Division by June 30, 2018.

Approval is based on the documented high cost needs of the applicant child with disabilities, demonstrated by the criteria described above. All eligible applications will be ranked high to low using the individual child's rubric score. Allocations are made based on available funds, beginning with children who have the higher rubric scores.

Child Ineligibility: A child will be considered ineligible for RPF if any of the following apply to the child and LEA:

- Child does not meet or exceed the minimum Risk Pool Program Rubric Score of eight (8) points.
- Child does not meet or exceed three times the annual per pupil expenditure.
- Child has been funded for five (5) years.
- There is not sufficient documentation to support funding request.
- LEA has not provided documentation demonstrating that necessary interventions, resources and supports have been put in place to address the child's needs.
- Application is postmarked after September 30th.
- Received any of the following funds in the current school year in the current LEA:

○ Special State Reserve Funds (PRC 063)	○ Group/Foster Home Funds (PRC 060 & 032)
○ Behavioral Support Funds (PRC 029)	○ Developmental Day Funds (PRC 063)
○ Out-of-District Funds	○ Community Residential Funds (PRC 063)

Maximum Years of Funding: Applications are to be submitted annually. A child may be provided funding for **up to a total of five (5) years** during the child's school career in North Carolina. Although LEAs can apply for RPF for a specific child, there is no guarantee that the application will be funded each year, and funding may not be granted in consecutive years. Allocations are determined by the rubric score and the availability of funds.

Funding requests must consider projected and actual costs of personnel benefits, the need for substitute personnel and the child's historical attendance (frequent absences decrease costs of some services). When costs are overestimated, the number of children state-wide who benefit from grant funds decreases, resulting in children who are denied funding due to lack of funds.

- RPF are child specific grant dollars; therefore, **personnel** whose salaries are funded with RPF can work only with the child who is named in the RPF application (one child per application). The maximum period of employment for personnel salaries funded via an approved RPF application is the ten (10) calendar months for the LEA receiving the funding. Entry-level salaries noted in the current state salary schedule are to be used when requesting personnel funds. Locally provided benefits and supplements are not fundable expenditures. Policies regarding personnel also apply to contracted persons.
- **Contractor** compensation fund requests are not to exceed the portion of the contractual compensation amount for the services provided to the child named in the application.
- Special circumstances may justify costs being shared between two children if the support person is providing non-instructional duties such as toileting, feeding, etc. for both children. Each child must be eligible as an individual applicant. If the child sharing a staff member with another child withdraws from the LEA, personnel funded with RPF can no longer be supported with the withdrawn child's funds.
- Group costs or combining children's scores cannot be used as a method to satisfy RPF eligibility parameters.
- Prorating costs for school staff cannot be used in the calculation of the cost of special education and related services.
- Risk Pool Program Funds cannot to be used to support special educational methodologies, fund teacher positions (permanent or contracted), create new classes, provide transportation, and/or purchase consumable materials. Costs must show excess in personnel required, assistive technology and specialized equipment, etc.
- These funds may not be used to contract for special education and/or related service(s) to serve the child outside the LEA

Equipment requests must include a copy of the relevant evaluation(s) (i.e., PT, OT, SLP, Assistive Technology, etc.) and the Individualized Education Program (IEP) to justify the need for the child. An invoice or official itemized quote from the vendor that includes items needed and prices must also be submitted with the application. Any equipment purchased for a child with RPF must accompany the child if the child transfers to another LEA in North Carolina. If the child moves out of North Carolina, the equipment remains with the LEA. Consumable supplies are not a fundable expenditure.

Approval notification will be provided via a letter, sent by postal mail to the Exceptional Children Program Director/Coordinator. The letter will state the exact amount allocated and how the allocated funds can be spent.

- These funds are child specific and can only be used as specified in the approval letter and as described in the original application.
- Notification of approved application(s) will also be sent to the School Allotment Section. Federal funds for PRC 114 will not be available until November at the earliest. The finance officer will receive an allotment revision report indicating the amount approved under PRC 114. LEAs may not spend funds from PRC 114 until the allotment revision report has been received.

Denial of Request: All requests will be reviewed by the Exceptional Children Division. If the request is denied, the LEA will be notified via a letter, sent by postal mail to the Exceptional Children Program Director/Coordinator, indicating the reason for denial.

Amendment of Requests: If amendments are needed in a child's original application, or there is a need to utilize these funds differently, the LEA must notify the Exceptional Children Division Special Project Consultant in writing via fax or postal mail for review. The LEA will receive a notification of approval or denial of the request.

Withdrawals or changes in services: The Exceptional Children Division must be notified of any change in the child's status, eligible services, or withdrawal no later than **ten (10) calendar days** after the change by submitting a completed RPF-2, *Risk Pool Program Update*. If the child has withdrawn and additional time is needed due to outstanding invoices for payment of services, contact the Special Projects Consultant by phone.

Reverting Funds: Funds are to be reverted any time during the school year when it is known that some or all funds will not be needed. When funds are reverted early, they can be reallocated to benefit a child whose application was previously denied due to lack of funds. Any unused funds must be returned using RPF-2, *Risk Pool Program Update*.

RPF may revert for various reasons. Several examples follow:

- The child approved for funds no longer needs the services designated on the application (i.e., child withdraws/ leaves the LEA, child is placed homebound or child's day has been modified).
- The child no longer needs the level of services specified in the initial application (i.e. 1:1 no longer needed).
- The IEP Team determines the child no longer qualifies for services.
- The child had many absences and a contractor is invoiced only for days the child attends school.
- As LEAs conduct quarterly reviews of expenditures, it is realized that funds will be remaining.

Reuse of Funds: Unless approved by the Exceptional Children Division, funds cannot be used for another child or for a child's application that was not funded due to unavailability of funds (all funds were allocated). Request for reuse of funds for another child with an approved application on file with the Exceptional Children Division may be made by submitting RPF-2, *Risk Pool Program Update* to the Special Project Consultant. The LEA's EC Director/Coordinator will receive a notification of approval or denial for the request.

Validation Visits: The Exceptional Children Division Special Projects Consultant may schedule a validation visit to verify the use of Risk Pool Program Funds.

- LEA selection for visits may be targeted based on risk factors or RPF application requests. Selection may also be random. A visit for validation of Risk Pool Program Funds may be combined with a visit for Special State Reserve Funds.
- Visits are typically scheduled to take place during 3rd and 4th quarter after applications have been received and funds have been allocated.
- The LEA will provide an escort for the visiting Special Projects Consultant to assist with traveling to the school(s) where the child(ren) is/are in attendance, checking in at school, introductions of staff, etc.
- The visit will include interviews with staff paid with RPF, meeting the child benefitting from the funds, and a review of the child's expenditures
 - LEA will need to provide a copy of an official financial report showing expenditures.
- If it is determined that funds were not spent as per application approval and RPF parameters, LEA will receive written notification of any corrective action that will need to be taken, along with due date for submitting corrections.
- Corrective action may include repayment of funds.

Fiscal Requirements for Risk Pool Program Funds

- Risk Pool Program Funds are child specific. The amount provided for the child named in the application must be used for only him/her. Without appropriate approval, funds designated for one child cannot be used for another child's expenses, even when the other child is also a recipient of Risk Pool Program Funds.
- Costs for special education and related services must be for direct services to the child named in the application. Funds cannot be used to support other children. Examples:
 - During the period of time a child is receiving related services funded via RPF, other children cannot participate in the therapy session.
 - If a personal care assistant is funded via RPF, the assistant cannot serve in the role as a classroom teaching assistant. Furthermore, the assistant cannot serve as a substitute when the child is absent unless paid from a funding source other than RPF.
- Risk Pool Program Funds cannot be used for reimbursement of past year's expenses.
- Indirect cost(s) cannot be charged to this program.
- State Exceptional Children per pupil allocation (PRC 032) and Federal IDEA Part B per pupil allocation (PRC 060) received by the LEA for the child will be subtracted from the approved allocation.
- For children enrolled the entire year, the RPF-2 must be postmarked on or before June 30th of each year.
- All unused funds will revert on June 30th of each year.
- The LEA must promptly establish and submit the PRC 114 Risk Pool Program Funds budget in the Budget and Amendment System (BAAS) for all approved services.
- LEAS are encouraged to conduct quarterly reviews of expenditures to monitor funding balances. If it is noted that there are unspent funds, these should be reverted or reused early on. When requests for reversions or reuse of funds are submitted too late in the year, other children may not be able to benefit from funds.
- Per child state and federal child count dollars are subtracted from the approved amount. The expectation is that these funds are to be applied toward a child's expenses prior to the grant funds.
- Risk Pool Program Funds do not carry over and must be expended by June 30th of each year.

Reference III

Rubric for Risk Pool Program Funds Allocation

For a child to be eligible for points, services noted in the rubric are to be documented in the child's IEP. Supporting documentation must be submitted with application.

Rubric scores are based on an individual child's needs, not the needs of two or more children combined.

Staff members can be counted in the rubric only one time. Points are not based on a staff member's role or multiple roles but rather the primary position in which he/she is serving.

There may be rare instances when a child requires such a high need of service that two staff persons are required to access the educational program. If this is the case, the needs must be described in the narrative portion of the application and necessary supporting documentation must be submitted with application.

Example 1: A child requires a teacher assistant for all activities of daily living, but also has some medical concerns that call for a Certified Nursing Assistant (CNA). The CNA is the only individual serving the child for all areas of need (medical and daily living), so the rubric score would be a three (3).

Example 2: A child requires a teacher assistant for all activities of daily living but also requires an interpreter. Two individuals are addressing the child's needs; therefore, five (5) points for the interpreter and three (3) points for the teacher assistant would be received.

A minimum of eight (8) total points is required to be eligible for Risk Pool Program Funds.

	Points
1. Child requires a 1:1 nurse (RN, LPN).	6
2. Child requires a 1:1 sign language interpreter, Transliterator, Spoken Language Facilitator or a Deaf Blind Intervener.	5
3. Child requires a Brailist.	4
4. Child requires 1:1 personal assistant for all activities of daily living skills (dressing, toileting, feeding, communication, socialization, safety, etc.).	3
5. Child requires 1:1 CNA.	3
6. Child requires 1:1 personal assistant for behavior support.	2
7. Child requires two or more related services (OT, PT, SLP, O&M specialist, audiologist).	1
8. Child requires supplemental aids and/or assistive technology to access educational services.	1
9. LEA is over the 12.75% cap.	1
10. Exceptional Children Program does not receive local funds.	1
11. LEA receives Low Wealth funds, or has been identified as being significantly disproportionate (mandatory 15% CEIS).	1

Instructions for Completing the RFP-1 Risk Pool Program Funds Application Form

The application is in fillable Microsoft Word format. Navigate between fields using the tab key or mouse click. The completed application must be printed, signed, submitted with original signatures via postal mail, postmarked on or before September 30, 2017.

PART I: LEA Information

Enter the LEA name and the LEA number.

Select Region Name from the drop-down list.

Enter EC Director/Coordinator Information.

PART II: Child's Information

Enter the child's name, date of birth, and PowerSchool number.

Select check box for gender.

Select the following from corresponding drop-down lists: ethnicity, disability, and IEP current placement.

Select "Yes" or "No" check boxes to answer all remaining questions in Part II.

- If "Yes" is selected for last question about another application submitted for the child named in the application, enter the name of the other application(s) in the field provided.

PART III: Child's Needs and Services

Select appropriate check boxes, complete narratives attach supporting documentation for each of the areas.

PART IV: Child's Personnel Needs

Select appropriate check boxes for personnel who provide direct support to the child.

- 1:1 staff members cannot be shared with other children.
- There may be rare instances when a child requires such a high need of service that two staff persons are required to access the educational program. If this is the case, the needs must be described in the Part III Narrative.

Enter the points the child receives that correspond to the personnel providing support.

- Staff members can be counted only once.
- Points are not based on a staff member's role or multiple roles but rather the primary position in which he/she is serving.

PART V: Materials/Equipment Request

Select appropriate check box.

List supplemental aids and/or assistive technology that are included in the child's IEP or assessments.

Enter one (1) point if the child's IEP includes supplemental aids and/or assistive technology.

Select "Yes" or "No" check box to answer question about funding request for assistive technology or equipment requested.

- If "Yes," list items requested that are included in the IEP or assessments.
- Provide required copy/copies of the relevant evaluation(s) (i.e., PT, OT, SLP, Assistive Technology, etc.) and the IEP to justify the need for the child. An itemized list of the materials, including prices and vendors, must be submitted with the application.

PART VI: Financial Impact on the LEA

Select “Yes” or “No” check box to answer each question about the LEA:

Answer the narrative question; the space will expand as characters are entered into the field provided.

- The answer to “Does the Exceptional Children Program receive local funding?” comes from the Individuals with Disabilities Education Act, Part B (611) application. If the per child amount of local funding is less than \$700, the LEA receives a point.

Part VII: Funds Requested

Request must correspond with needs presented, child’s IEP and other supporting documentation.

- LEAs must take into account the projected actual costs of the child’s needs. Considerations include personnel benefits, the need for substitute personnel and the child’s historical attendance (frequent absences decrease costs of some services).
- Allowable expenditures may be found in the *Uniform Chart of Accounts, PRC 114*.
- Entry-level salaries noted in the current state salary schedule are to be used.
 - If the LEA has determined that **only** an experienced person can meet the needs of the child, an explanation must be provided when describing the child’s needs in Part III.

To enter data in the table, use the tab key between fields.

- Enter a description of the request (example: personal assistant salary).
- Enter the budget code associated with the request (example: 03.5210.142.114).
- Provide the exact amount of funds requested.
- Total funds requested and enter total in gray box.

Part VIII: Certification

By signing the application with original signatures, the Exceptional Children Director/Coordinator, Finance Officer and Superintendent are acknowledging and certifying the following:

It is understood that the RPF-2, *Risk Pool Program Funds Update*, is required from all LEAs receiving Risk Pool Program Funds to provide a detailed update on the child’s status. Failure to submit the RPF-2 will prevent the LEA’s participation in Risk Pool Program funding for 2019 – 2020.

- If a child’s status has changed (i.e., the child is no longer enrolled or services are no longer needed), the RPF-2 is to be submitted no later than ten (10) calendar days after the change.
- For children who are enrolled through the end of the school year, the RPF-2 must be postmarked on or before June 30, 2019.

The LEA will notify the Department of Public Instruction, Exceptional Children Division, immediately after it has been determined that funds will not be used as proposed by submitting a completed RPF-2, *Risk Pool Program Funds Update*. It is understood that funds will be reverted to the School Allotment Section at the direction of the EC Division. It is also understood that on June 30th, all remaining unspent and contractually uncommitted Risk Pool Program Funds will be reverted to the School Allotment Section.

LEA has committed available funds to provide appropriate special education and related services to the child named in the application. Risk Pool Program Funds are not guaranteed, and they are not intended to replace any existing state, federal or local exceptional children funds. If available, these additional funds will be used only for the child named in this application.

Instructions for Completing the Risk Pool Program Funds Update (RPF-2)

One form per child. The form is in fillable Microsoft Word format. Navigate between fields using the tab key or mouse click.

A *Risk Pool Program Update* (RPF-2) is required from all LEAs receiving Risk Pool Program Funds to provide a detailed update on the child's status. Failure to submit the Update will prevent participation in Risk Pool Program Funds for 2019-2020.

When to submit the RPF-2:

- **During the school year when a child's status changes** (i.e., a child is no longer enrolled or services are no longer needed), the form is completed **no later than ten (10) calendar days after the change**.
- **During the school year when some or all of the funds are not needed**, or when the LEA is requesting to use funds from one child for another child who has an approved application on file with the Exceptional Children Division that was denied due to lack of funds.
- For a **child who is enrolled through the end of the year**, this form is completed at the end of the school year with a **due postmarked on or before June 30, 2019**.

PART I. LEA and Child's Information

Enter the date the form is completed, located above and to the right of the LEA Information box.

Enter the LEA name and the LEA number.

Enter the child's name, date of birth, and PowerSchool number).

Select the following from corresponding drop-down lists: disability and IEP current placement.

PART II. Financial Update

Complete any time it is requested for funds to be reused or reverted.

Due by June 30th along with Part III below.

Enter the amount of funds allocated; this would be the funds the LEA received. It is noted on the approval letter mailed to the EC Director/Coordinator.

Enter the child's approved expenditures; use the LEA's financial records to calculate the expenditures for the child. Refer to the approval letter mailed to the EC Director/Coordinator for the type of expense that is approved.

Enter the amount (if any) that the LEA intends to retain until June 30th.

Below the table, at the asterisk, **select** the reason the LEA is retaining a balance (if applicable).

Enter the amount (if any) the LEA is reverting to DPI.

PART III. Child's Update

Complete during the school year only when a child has withdrawn or no longer needs the services.

Due by June 30th for all children benefitting from SSR funds.

Select "Yes" or "No" check boxes to answer question whether the child is currently enrolled.

- If "No," enter the withdrawal date and complete only the "Child Update" section.
- If "Yes," complete the "Child Update" section and answer the two questions.

PART IV: Required Signatures

Original signatures are required from the Exceptional Children Program Director/Coordinator, Finance Officer and Superintendent prior to submitting via postal mail.